May 5, 2014
Commission's Secretary
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Federal Communications Commission
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Deena Shetler: deena.shetler@fcc.gov
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Re: WC Docket No. 06-210
CCB/CPD 96-20

PETITIONERS SUPPLEMENTAL SUBMISSION IN
IN SUPPORT OF ITS POSTION THAT AT&T COUNSEL
HAS ENGAGED IN INTENTIONAL FRAUD ON COURTS AND FCC

This is a DRAFT DOCUMENT provided AT&T Thursday May 1st 2014which is being provided the FCC and AT&T Counsel prior to submission to FCC and several States Attorney Ethics Divisions. AT&T counsels are being given the opportunity to respond to the below assertions and AT&T's submissions will be sent to the Ethics Divisions. If AT&T counsels choose not to respond to each point in this draft by close of business May 8th 2014 the Ethics Divisions will be advised upon submission that AT&T Counsels were given a week to respond and chose not to respond.

If clear and convincing evidence if provided by AT&T counsels that it was in the right as to any of petitioner's assertions of intentional fraud upon the FCC or the Courts the petitioners will gladly amend its ethics filing prior to a formal submissions to the FCC and States Ethics Divisions.

Mr. Brown as my Court Appointed AT&T contact you are to confirm that all AT&T counsels that have EVER WORKED on this case are to be provided this document.
This includes current and former AT&T counsels. A list of the Counsels that receive this document is to be returned to me if **you choose** to notify the counsels.

The FCC Commissioners are also receiving this document and are also welcome to make comment and address any statements made within prior to formal submission.

Taxing authorities will also be receiving this document as civil tax matters may be an issue.

Formal Submissions will also be sent to many media outlets.

All parties are being given the opportunity to address these issues prior to submission as petitioners take these assertions and their repercussions on individuals ability to make a living very seriously and thus you are being given the opportunity to respond.

We also reserve the right to make changes in the document prior to submission.

One Stop Financial, Inc
973 618 9906

The following evidences the fraud AT&T counsel has continued to engage in in order to tie up the Courts and FCC for 20 years when all that was ordered in 1995 was a traffic-only transfer under tariff section 2.1.8 which AT&T had done thousands of times before and still does today. Based upon the evidence presented it appears obvious that AT&T counsel has engaged in an intentional fraud upon the Courts and the FCC. AT&T has already paid off the Inga Companies co-plaintiff Combined Companies Inc. for the same exact transaction. Obviously AT&T wouldn't have settled with CCI if the transaction was in violation of AT&T's tariff.

Background

1) Petitioners were aggregators of toll free service enrolling non-affiliated businesses under one discount plan called CSTPII/RVPP Plan. To obtain about a 28% discount the aggregator made a substantial time and volume commitment to AT&T. Businesses that were receiving for example a 6% discount on their own directly with AT&T could enroll under the aggregators CSTPII/RVPP plan and were provided between 15% to 23% discount instead. The difference between the 28% discount afforded the aggregator and for example 23% given the business location was 5% spread in revenue of the phone bill, which was the compensation the aggregator obtained.

2) Despite having over hundred million in revenue commitments per year to AT&T, the 28% discount was ridiculously low compared to discounts of almost 66% AT&T was providing its other AT&T customers. For example other AT&T customers only had to meet $4.8 million per year revenue commitments and were provided a 66% discount under AT&T Contract Tariff 516. Petitioners asked for the higher discount but AT&T refused----fraudulently claiming that petitioners did not qualify. A company called Public Services Enterprises (PSE) which was also an AT&T aggregator, had far less revenue than petitioners filed suit against AT&T and PSE obtained CT516. Given the fact that AT&T refused to provide the Contract Tariff (CT) the Inga Companies and Combined Companies Inc. (CCI) attempted to transfer the majority of the accounts from its CSTPII/RVPP plans to PSE to obtain additional revenue but maintain its plan. The plans had already met revenue commitments.

3) AT&T tariff section 2.1.8 governs the transfer of either 1) a specified quantity of accounts from the Former AT&T customers' PLAN to a new AT&T Customers plan –referred to as a Traffic Only transfer as opposed to…. 2) The transfer in ownership of the entire CSTPII/RVPP plan. AT&T created a Transfer of Service Agreement Form (TSA) to effectuate either one of the above types of transfers under section 2.1.8. Due to the fact that the TSA form was used for both types of transfers it obviously necessitated notations on the form and or a cover letter to explain whether the transfer was for specified accounts (Traffic Only) or the entire plan. When AT&T refused to provide the CT516 because it didn't want to provide a deeper discounts to a qualified aggregator, a transfer of specified account traffic was ordered from several CSTPII/RVPP plans to PSE's CT 516 that enjoyed a 66% discount instead of 28%.

4) The TSA form was submitted and of course the notations explained that that it was a TRAFFIC ONLY transfer as the plans and the commitments for those plans were to remain with petitioners. AT&T under section 2.1.8 had 15 days statute of limitation under 2.1.8 and after the 15days still had not processed the traffic only transfer to PSE.

5) AT&T refused to proceed with the traffic only transfer based upon its "fraudulent use provision" to prevent possible nonpayment of services. AT&T asserted that due to the tariffs mandate that on traffic only transfers the plans shortfall and termination (S&T) obligations must remain with the non transferred plan—

there would be no way for the account transfers usage on new customer PSE's plan to meet the obligations on transferor CCI/Inga plans. AT&T's fraudulent use provision argument confirmed AT&T's tariff interpretation that S&T obligations do not transfer on traffic only transfers. AT&T's use of its "fraudulent use provision" was a fraud in and of itself as the transferor plans had already met their annual revenue commitment and could be restructured to avoid S&T liabilities in any event.

AT&T counsel made the following statement on 3/21/1995 upon cross examination of Mr. Inga before Judge Politan in NJ Federal District Court which current AT&T in house Counsel Mr Edward Barrillari is still involved in the case:

> Q: Mr Inga, you know, do you not that if the service, **except for the home account**— or Mr. Yeskoo called it the **"lead account**" ---is transferred to PSE **the shortfall and termination liabilities remain** with Winback & Conserve, **isn't that correct?**

Yes this is correct. Simply put the former aggregator could transfer almost all of the accounts from its AT&T plan to a new AT&T customers plan and because it is not a plan transfer---- but a traffic only transfer the Shortfall and Termination obligations/liabilities remain with the non transferred plan.

6) Petitioners had engaged in many traffic only and plan transfers previously and therefore indicated on the TSA forms to move traffic only and of course indicated the lead home account that was to remain with the NON TRANSFERRED CSTPII/RVPP plan so as to continue being obligated for S&T obligations.

The following is statement made by AT&T counsels David Carpenter, D. Cameron Findlay, Frederick Whitmer, and the "Richard Brown" on April 25th 1996 to the Third Circuit Court. AT&T's tariff interpretation was exactly same as plaintiff's explaining that only when **ALL** accounts are transferred does it constitute a PLAN transfer and ***only*** plan transfers would necessitate shortfall and termination commitments being transferred.

> "CCI Notes that a transfer of service can apply either to individual end user locations or to entire plans. See CCI Br. At 31-32 & n13. CCI then, incongruously, seeks to defend the District Court by citing "record evidence" that addressed transfers individual end user locations (not entire plan liabilities), and showed that the **only "obligation" transferred to the "new customer" in that event is the unpaid liability associated with the individual end user location that is transferred. But that is self-evident under the tariff.** By contrast, when ***all*** the plan's traffic and locations are being transferred to a new customer and the "plan" would then exist only as an **empty shell**, then the "new customer" would not be assuming "all" the associated "obligations" unless it assumed the "existing customer's" shortfall and termination commitments."

ALL accounts were not transferred in the CCI/Inga traffic only transfer to PSE Enterprises. The fraud above was to advise the Third Circuit that ALL the accounts were transferred when in fact AT&T knows the key lead/home account was not transferred to ensure that S&T obligations remained with the non transferred plan. There wasn't a so called "empty shell." The key here is also that AT&T's position is that S&T obligations do not transfer on traffic only transfers.

7) The CSTPII/RVPP plans that aggregators contracted for with AT&T were all ordered prior to June 17th 1994 as noted by the FCC 2003 Decision. Therefore its fiscal year end commitments could be restructured to avoid any liability if the aggregator was willing to extend its volume and time commitment to AT&T. Therefore these CSTPII/PLANS were immune from S&T liability when timely restructured. Still AT&T would not transfer the account traffic and petitioners filed suit in NJ District Court. AT&T's use of its

"Fraudulent Use" Provision was a fraud in and of itself as AT&T simply did not want to pay additional compensation on the $100 million in account traffic.

8) The NJ District Court reviewed section 2.1.8 and the primary jurisdiction referral sent to the FCC was:

> "whether **section 2.1.8** permits an aggregator to transfer traffic under a plan without transferring the plan itself in the same transaction."

The case went from the NJ District Court in 1996 to the Third Circuit and within the year was sent by the Third Circuit to the FCC.

9) The FCC issued its Declaratory Ruling 7 years later in 2003. The key points of the FCC 2003 ruling were 1) that even though petitioners used section 2.1.8 to do its' traffic only transfer the FCC did not see where in section 2.1.8 that it allowed for traffic only transfers of only specified accounts. The FCC stated that since another section of the tariff 3.3.1.Q did allow accounts to be deleted from one plan and added to another plan this would provide the same results than a direct 2.1.8 transfer and since the tariff overall did not prohibit traffic only transfers—the FCC ruled against AT&T.

10) The FCC actually did use section 2.1.8 to interpret which obligations transfer on traffic only transfers. This was obvious because in the FCC's 2003 decision the joint and several liabilities section of 2.1.8 was interpreted as to which obligations transfer under 2.1.8. The FCC determined the same obligation allocations that AT&T and petitioners had been doing for years—S&T obligations do not transfer on traffic only transfers.

11) The FCC ruled that AT&T could not rely upon its fraudulent use provision of its tariff due to the ILLEGAL REMEDY AT&T used of implementing the provision. To prevent the traffic only transfer AT&T unlawfully permanently denied the traffic only transfer as opposed to the tariffed remedy of only temporarily suspending service. AT&T therefore could no longer use as a defense its fraudulent use provision which was a **fraudulent assertion** in any event as the transferor plans has met its revenue commitments and could be restructured.

12) These CSTPII/RVPP plans were all ordered prior to June 17th 1994 as stated in the FCC 2003 decision and thus were immune from S&T liability—therefore AT&T had no right to even suspend service let alone deny the traffic only transfer.

AT&T then takes its case to the DC Court in an effort to overturn the FCC 2003 Decision.

13) Up until the time of the DC Court all parties (AT&T, Petitioners and the FCC) agreed that Shortfall and Termination (S&T) obligations did not transfer on traffic only transfers under the tariff. AT&T was simply relying on its fraudulent use provision that petitioners would not be able to meet S&T obligations. When the FCC ruled in 2003 that AT&T could not rely upon its fraudulent use provision due to the illegal remedy in which AT&T applied the fraudulent use provision AT&T was in a real bind. More fraud needed….

14) AT&T obviously knew that petitioners used 2.1.8 to transfer the accounts but AT&T certainly could not argue to DC Court that 2.1.8 indeed allowed traffic only transfers given the fact that Petitioners were correct in using 2.1.8 to transfer accounts! AT&T obviously needed to argue to the DC Court that the FCC's movement of account theory of deleting accounts from one plan and adding to the other plan was not the same as a direct transfer under 2.1.8 and not the answer to Judge Politian's NJ District Court referral question:

> "whether **section 2.1.8** permits an aggregator to transfer traffic under a plan without transferring the plan itself in the same transaction."

15) AT&T needed to overturn the FCC 2003 decision by arguing that section 2.1.8 indeed allowed traffic only transfers not the FCC's theory of deleting and adding accounts under section 3.3.1.Q. AT&T's major problem was arguing against the FCC that 2.1.8 allowed traffic only transfers when AT&T fully understood petitioner's used section 2.1.8 to do its traffic only transfer!

16) Due to AT&T's use of the illegal remedy in implementing its fraudulent use provision to prevent the transfer ---AT&T knew it couldn't defeat the FCC's 2003 decision on this point. AT&T's position had always been that petitioners used 2.1.8 and 2.1.8 mandated that S&T obligations had to stay with the non transferred plan as petitioners had done! AT&T counsels understood that it could argue against the FCC's delete/add account movement theory but such an argument would lose the war against petitioner's use of 2.1.8! AT&T needed to come up with more fraud….

17) This one was a beauty---AT&T came up with a brand new minted defense **10 years** after the traffic only transfer. It was a desperate fraud given the fact that it was a brand new defense. Brand new defenses are actually barred under 405 as having never been presented before but AT&T was desperate. Not only was it barred it was contrary to the evidence in the record! AT&T's fraud coupled with an ambiguous tariff led to the scam of the DC Court Justice John Roberts that no doubt has AT&T counsels still smirking today! The fly on the wall is probably hearing AT&T counsel David Carpenter boast –"I was able to scam the current Supreme Court Justice of the United States!"

18) AT&T's David Carpenter argued to the DC Court that the mandatory notations on the TSA form of "Traffic Only" as opposed to Plan Transfer were an effort by petitioners to Transfer "Traffic Only" ---- BUT DONT TRANSFER ANY ---as in ZERO OBLIGATIONS! Obviously the AT&T TSA form never said ---don't transfer any obligations ----but AT&T counsel was absolutely desperate for a defense as petitioners had followed the tariff exactly.

19) Section 2.1.8 had a 15 day statute of limitations but AT&T counsels concocted this fraud after **10 years**—because AT&T couldn't possibly admit that petitioners used 2.1.8 to transfer the accounts as it always had. Unfortunately petitioners counsel decided not to participate in the DC Oral argument between AT&T vs. FCC. AT&T counsel David Carpenter was able to get away with intentional lies that could have been combated during oral argument. Petitioners obtained the transcripts of the DC Court oral argument several weeks after the argument and quickly sent in a post oral argument brief to correct the intentional fraud David Carpenter threw at the DC Court. AT&T objected to the Post Oral argument brief being accepted because it countered the fraud engaged in by AT&T.

20) The DC Court was absolutely correct in overturning the FCC's Decision in relation to the FCC's theory that 2.1.8 did not allow traffic only transfers but unfortunately opened the door to a new argument as to which obligations transfer on a traffic only transfers. The FCC, AT&T and petitioners all had agreed that S&T obligations remained with the non transferred plan and the other two obligations noted within 2.1.8 for: (1) all outstanding indebtedness for the service and (2) the unexpired portion of any applicable minimum payment period(s) transferred to the new customer for the accounts selected for the traffic only transfer.

21) The record explicitly stated that the transaction was done under 2.1.8

Initial Inga FCC Comments Para. 53:

> "In fact the tariff and AT&T's own form, the Transfer of Service or Assignment (TSA) form, made it possible. We did an assignment of end-user accounts **as per the tariff** and what had been commonly accepted in the marketplace for years."

The NJ District Court 1995 understood also: District Opinion (JA 61):

> "The manner in which such a transfer is carried out is by the submission of a Transfer of Service Agreement and Notification form ("TSA"), executed by both parties to the transfer to AT&T.";

Inga Post Oral brief:

> It has **always been Intervenors position that section 2.1.8** expressly allows for the transaction intended in transferring the accounts to PSE."

22) The following FCC statement shows the traffic only transaction was done under 2.1.8 even though the FCC believed that 2.1.8 did not allow for traffic only transfers: FCC Ruling: JA 6

> "We conclude that **section 2.1.8** of AT&T's tariff did not address or govern **CCI's and PSE's request** and that its respective tariffs with CCI and PSE permitted the movement of traffic at issue here."

23) So the Inga Companies, the District Court, AT&T and even the FCC clearly understood our traffic only request was under 2.1.8 "**as per the tariff."** Never did AT&T state to the NJ District Court that **zero obligations** where attempting to be transferred.

24) The DC Court decided that 2.1.8 did allow for traffic only transfers and vacated the FCC's 2003 decision due to the FCC's erroneous belief that 2.1.8 did not allow for individual accounts to be transferred. The DC Court raised the question of which obligations transfer on a traffic only transfer under 2.1.8. that had never been an issue previously.

25) Which obligations were actually assumed by PSE **was never an issue prior to the DC Court.** An enormous amount of evidence in the record clearly states AT&T, FCC, and Inga Company petitioners already fully understood S&T obligations **don't** transfer on traffic only transfers. The District Court heard extensive testimony and it was clearly established that all the obligations on the AT&T (TSA) form, which was verbatim Section 2.1.8, were assumed by PSE. Those were: (1) all outstanding indebtedness for the service and (2) the unexpired portion of any applicable minimum payment period(s). The first obligation is for bad debt on the traffic and second is a time requirement defined as one day at J.A. 187.

26) AT&T **never** stated to the District Court or FCC that PSE did not intend to accept both of these obligations above. AT&T simply held up the traffic only transfer---AFTER the 15 day statute of limitations--- based upon the conceded fact that S&T obligations don't transfer as AT&T's made a bogus attempt to use fraudulent use provision. AT&T could no longer argue due to use of an illegal remedy so AT&T counsel was in major predicament. More fraud…

27) AT&T knew petitioners used 2.1.8 to transfer traffic only and now the DC Court has concluded that YES 2.1.8 does allow traffic only transfers! The case proceeds back to NJ where Judge Bassler now has taken over for Judge Politan. AT&T now must go into operation lets SCAM JUDGE BASSLER. The case is now 10 years old and AT&T needs to commit another fraud by telling the NJ District Court that section 2.1.8 required that S&T obligations must transfer on traffic only transfers. New Fraud----So AT&T went from S&T obligations DO **NOT** transfer under the tariff to now S&T obligations **do** transfer on traffic only transfers. The frauds just keep changing venue to venue as AT&T counsels do a masterful scam job on each Court and FCC.

28) The most comical part about the new AT&T "all obligations" fraud is that AT&T literally engaged in tens of thousands of traffic only transfers over many years under 2.1.8 and of course shortfall and termination obligations never transferred. AT&T refuses to provide 1 single traffic only transfer in which S&T obligations transferred. It was simply another intentional fraud upon the court.

29) Amazingly under AT&T's new comical fraud "Company A" with a 100 million dollar commitment could do a traffic only transfer of 10 accounts doing $200 a month billing to "Company B" that only had a $12,000 a year revenue commitment to AT&T and "Company B" under the new AT&T fraud is forced to assume Company A's $100 million commitment! So absurd! Conversely, imagine the "Company A" with the $100 million commitment transferring away all of its commitments and keeping the revenue with no more commitment! In reality "Company A" –like petitioners---of course could not transfer away all its S&T obligations when transferring accounts to the plan of another AT&T customer.

30) AT&T agrees 2.1.8 allows for traffic only transfers. AT&T's ludicrous new fraud means that when you do a traffic only transfer you actually do a plan transfer as the S&T obligations must transfer! If that were reality 2.1.8 really wouldn't allow for traffic only transfers given the fact that the S&T plan obligations must transfer! AT&T Fraud is Comical! AT&T's counsels Mr Brown and Mr Barrillari were willing to intentionally lie to the Courts to keep the AT&T scam going no matter how ludicrous the explanation would be in the real world—this is why no evidence has ever been provided by AT&T of traffic only transfers in which S&T transfer. AT&T counsels just want you to listen to their fraud and never mind reality!

31) When the case went from DC Court to back to NJ, AT&T continually stressed to Judge Bassler that the FCC had primary jurisdiction to further interpret 2.1.8 regarding which obligations transfer on traffic only transfers. AT&T knew the FCC had taken 7 years to come out with its first decision and at minimum could delay the fraud—so the game plan was simply get the fraud to the FCC and we will scam the FCC again like we did the first time.

32) Obviously the first time around at the FCC (prior to the FCC 2003 Decision) AT&T argued that S&T obligations did not transfer on traffic only transfers in order to bogusly assert fraudulent use argument:

> AT&T Reply Comments: Footnote 9 JA 535 "In fact as explained in its initial comments, the basis for AT&T's "fraudulent use" claim was that the proposed transfer would have transferred the entire revenue stream to PSE **without the corresponding obligations to pay any shortfall and termination charges** under the CSTPII plans..."

33) Given that AT&T could no longer argue fraudulent use the new AT&T fraud was 2.1.8 mandated that all obligations transferred on traffic only transfers and that also included S&T obligations.

34) AT&T no longer used the David Carpenter scam that ZERO Obligations were transferred when the Inga Companies pointed out that even the FCC understood the mandatory traffic only notations on the TSA.

The following quotes show the FCC recognized that the notations placed on the TSA form were simple instructions to move traffic only and not the plans.

1st) FCC Decision: JA pg.3:

> "At the bottom of each TSA, in handwriting, these parties directed AT&T to move the "Traffic Only" on each plan to PSE. The January 13th cover letter, under which these nine TSAs were forwarded, directs AT&T to "move the locations associated with these plans [but] not in any way to discontinue the plans." (Exhibit H to petition). In this way, CCI and PSE attempted to move to PSE the end-user traffic associated with each of the nine CSTPII/RVPP plans, but not to move the actual plans themselves.";

2nd) FCC Decision: JA pg.8 -9 para.11

> "Further, CCI (as well as the Inga Companies) but not PSE, would continue to have been responsible for any shortfall obligations under the CSTPII/RVPP plans."

This last quote shows all other obligations were assumed other than shortfall, which did not have to be assumed by PSE. It was pure intentional fraud engaged in by AT&T counsel before the DC COURT.

35) Amazingly David Carpenter said in 2005 that the notations on the TSA form –with explanatory coversheet --- meant 10 years earlier in 1995 to move traffic only but zero obligations! Yup scam artist David Carpenter 10 years after the fact created a new AT&T fraud defense which never was previously presented. Section 2.1.8 has a 15 day statute of limitation to address the transaction—not 10 years!!!! What is most remarkable about this is the FCC allows AT&T counsel to intentional scam it and because AT&T counsel knows the FCC will do nothing about AT&T counsels fraud –AT&T counsel continues to engage in intentional fraud.

36) The most comical part of the frauds are AT&T counsels arguing with each other's frauds. David Carpenter's fraud was ZERO Obligations were transferred and Mr Browns was originally only two needed to be transferred but then changed it to 4 obligations needed to be transferred. At the same time AT&T stated that one of the obligations "Termination" obligations weren't an issue because the plans weren't being terminated. AT&T couldn't even keep their frauds consistent! You would think that if you were going to intentionally lie you would try not to have the frauds and evidence conflict! Keeping track of the AT&T intentional frauds was more comical than an Abbott & Costello "Who's On First" Routine!
Oh! What a tangled web we weave. When first we practice to deceive!

37) When the Inga Companies pointed out to AT&T that the FCC statements clearly understood the TSA notations did not mean transfer traffic only and NO obligations and AT&T could never produce any argument in the first 10 years of that fraud AT&T dropped that conflicting and lack of evidence fraud. AT&T just continues with 2.1.8 new fraud that now required S&T obligations to transfer on traffic only transfers.

38) After extensive testimony the NJ District Court had no problem understanding what obligations transfer as AT&T had agreed with the non vacated first NJ District Court Decision in 1995:

> **1st)**May 1995 Decision. (JA 59) "As under the arrangement with plaintiffs, AT&T bills PSE's end users directly, subtracting from the bill that amount of discount allotted by PSE to each individual end user. In turn AT&T remits to PSE the difference between the latter's 66% overall discount and that passed on to the

end user. As in the plaintiffs' case AT&T deducts from the RVPP discount/rebate remitted to **PSE any bad debt** or unpaid bills accrued by its end users."

2nd) May 1995 Decision. (JA 65) "AT&T was further troubled by the fact that if only the traffic on the plans and **not the plans themselves** were transferred to PSE, the liability for shortfall and termination charges attendant thereto...."

3rd) May 1995 Decision (JA 66): "Because **AT&T bills the end users directly and can deduct any unpaid debt incurred by end users from the RVPP discount** of the aggregator, plaintiffs argue, there is no danger of shortfall.";

4th) May 1995 Decision. (JA 67): AT&T **replies** to that assertion by arguing that since **ONLY THE TRAFFIC** on the plans was passed to PSE, and **NOT THE "PLANS"** themselves with their **attendant liabilities**."

39) The following Inga quotes show the traffic transfer was done as per the tariff and all obligations required were to be assumed by PSE:

1st) Inga Para 53 JA 446: "In fact the tariff and AT&T's own form, the Transfer of Service or Assignment (TSA) form, made it possible. We did an assignment of end-user accounts **as per the tariff** and what had been commonly accepted in the marketplace for years."

2nd) Inga Para 58 JA 447:"AT&T's right to collect from the aggregator if the end-user didn't pay their bill **followed each new plan** to which the end-user accounts were being transferred or assigned. AT&T was totally protected. In fact AT&T was even in a better credit risk position because the plan where the accounts would be going would have additional revenue **to debit the aggregator if the end-user didn't pay their bill to AT&T**!";

3rd) Inga Comments Para. 52 JA 446:"This actually would have put AT&T into an even better position to collect shortfall penalties because after the assignment to PSE, AT&T could go after both the Inga Companies and CCI. In addition, **AT&T could go after PSE for bad debt.** AT&T was not exposed to being deprived of its charges. AT&T has stated that when the original transfer of the plan took place between the Inga Companies and CCI that the former customer (the Inga Companies) would remain jointly and severally liable.";

4th) Inga Para. 63 JA 450: "AT&T's is in a Better Security Risk Position after Assignment The Court's understanding that there was no credit risk was right. The subject accounts continued to be billed by AT&T and the volume was so large that **bad debt** was not capable of becoming an issue. **Moreover, the credit risk went with the accounts** no matter who owned them." Per AT&T's request bad debt goes with traffic.

With so much testimony, concessions, and evidence over 10 years from 1995-2005 AT&T counsel now wants everyone to believe that S&T obligations transfer on Traffic Only transfers—despite the fact that still today AT&T doesn't practice its new fraud.

40) So AT&T's new fraud "all obligations" includes S&T obligations was the one they now were going with because AT&T believes the ambiguity of the tariff will allow this fraud to succeed no matter how absurd it is and no evidence exits. So let's review Section 2.1.8 and end AT&T latest intentional fraud.

At the time of the 1995 traffic only transfer Section 2.1.8 found at FCC Ruling JA pg.6 provided:

> Transfer or Assignment- WATS, including ***ANY*** associated telephone number***(s)*** **(emphasis added),** may be transferred or assigned to a new Customer, provided that: A. The Customer of Record (Former Customer) requests in writing that the company transfer or assign WATS to the new Customer. B. The new Customer notifies the Company in writing that it agrees to **assume all obligations of the "Former Customer"** at the time of transfer or assignment. These obligations include (1) all outstanding indebtedness for the service and (2) the unexpired portion of any applicable minimum payment period(s).

41) AT&T counsel Mr Brown continually stressed to the FCC that 2.1.8 states "ALL OBLIGATIONS!" All means ALL and that includes S&T obligations need to be transferred on traffic only transfers. Mr. Brown even was so smug and confident in his fraud that he was gracious enough to provide the FCC with Webster's Dictionary definition of the word: "ALL." Mr Brown wanted everyone's attention on that word ALL. Reading the tariff petitioners simply didn't understand the obligations breakdown. Aggregators simply used the AT&T TSA form that mimics 2.1.8 verbatim and traffic only transfers were always accomplished and never did S&T obligations transfer! AT&T scheme is to keep the Courts and FCC's attention on only on 2 words "ALL OBLIGATIONS!" of a full sentence in 2.1.8. It was not until after the case went to the FCC for the second time did the Inga petitioners finally nail 2.1.8 regarding why S&T obligations did not transfer on traffic only transfers under 2.1.8!

42) Look at the tariff and see that the paragraph were it says ALL Obligations of the **"former" customer**—it's not all obligations of the transferor customer! It's all obligations, BUT only all obligations on what service has been selected for transfer, which obviously would makes the transferor customer a **FORMER** CUSTOMER. Obviously the **REMAINING** transferor Customer is not a **FORMER** CUSTOMER on a traffic only transfer! The entire plan was not selected for transfer to make that transferor customer a former AT&T customer and therefore the plans shortfall and termination obligations don't transfer! It's as simple as that! If you read the whole sentence and understand English a REMAINING AT&T customer with the S&T plan obligations obviously can't simultaneously be a FORMER AT&T customer! AT&T's S&T "all obligations" fraud doesn't make sense within the language of 2.1.8.

43) When petitioners filed the detailed explanation of its all obligations of the former customer analysis it was no coincidence that AT&T counsel Mr Brown called the very next day asking petitioners how much we wanted to settle. AT&T obviously understood its latest ALL OBLIGATIONS fraud was decoded under 2.1.8.

44) AT&T Counsel David Carpenter was questioned by Judge Roberts during oral argument and the following shows how Justice John Roberts attention got focused on "all obligations" which led to the DC Courts confusion as to which obligations transfer.

> JUDGE ROBERTS: Why not? The tariff says they have to **assume all the obligations**. (Oral: Pg 12, Line 9) MR. CARPENTER: "**Yes, but what it means to assume all the obligations.** What obligations apply **may vary depending on what's** transferred. "In some cases the **only obligation** that may be transferred is **going to be the outstanding indebtedness.**"

45) Thank you! Mr. Carpenter's admission not only further confirmed that traffic can be transferred without the plan under 2.1.8. BUT MOST IMPORTANTLY also confirms that **all of the obligations** assumed **depends upon what is transferred.** Carpenter's fraud here was to explain how the tariff actually was interpreted but remember he had his own fraud going that petitioners wanted to transfer ZERO OBLIGATIONS!! Yes the new customer must assume all of the obligations, **BUT only on what is selected for transfer.** All obligations of the former customer! You are only a former customer on that which you transfer!!!! So all obligations pertains to only the obligations on what is being transferred.

46) The passage of time has proved AT&T is intentionally engaging in fraud. AT&T changed its 2.1.8 interpretation that S&T obligations MUST transfer no matter how many accounts transfer on traffic only transfers after the 2005 DC Court Decision. Despite doing tens of thousands of traffic only transfers per year AT&T of course could never produce evidence that S&T obligations transferred on traffic only transfers prior to the 2005 DC Court Decision. S&T obligations are still not transferring AFTER the DC Court Decision in 2005. AT&T's current position is that its business people simply didn't understand the tariff prior to 2005 when AT&T changed its interpretation and that's why AT&T did not previously transfer S&T obligations prior to 2005. If AT&T actually believed its latest "all obligations" fraud was true you would certainly expect that in 2005 AT&T would have immediately informed its business people that all traffic only transfers between AT&T customers mandates that S&T obligations must now transfer! It is now 9 years later after AT&T's 2005 change in tariff interpretation that S&T must transfer. Guess what? Since 2005 AT&T still does traffic only transfers as it frequently transfers toll free service accounts between its customers. Of course the S&T obligations of the transferor customer **still to this date DO NOT transfer.** What's AT&T's next fraud? The business people didn't get the memo in 9 years? You would certainly think that in 9 years since AT&T's new S&T obligations must transfer interpretation that AT&T would have "gotten around" to advising its business people to adhere to the "new interpretation." S&T obligations never transferred on traffic only transfers and never will. AT&T "all obligations" fraud is complete nonsense.

47) The problem is the tariff was not explicit. Which means AT&T must automatically loses under the law. When the Supreme Court Justice of the USA can't figure out the tariff that is the definition that the tariff was not explicit.
The DC Court was totally baffled by Carpenter on which obligations were assumed by PSE due to AT&T fraud. All the obligations that were needed to be assumed by PSE were indeed assumed by PSE. The only TWO obligations that needed to be assumed by PSE were those stated on the TSA form that PSE signed: (1) all outstanding indebtedness for WATS, and (2) the unexpired portion of any applicable minimum payment period(s)."

48) Shortfall and termination obligations are based upon the non transferring plans commitment. FCC ruling quoting AT&T----FCC Ruling Footnote 56 at JA 008:

> "Although AT&T also argues that the move also avoided the payment of tariffed termination charges, id., it separately states that termination liability (payment of charges that apply if a term plan is discontinued before the end of the term) **is not at issue here. Opposition at 3 n.1.** That is consistent with the facts of this matter; petitioners never terminated their plans. Accordingly, termination charges are not at issue in this matter."

49) AT&T's admission that termination charges are not an issue is because the termination amount would be calculated on the non transferred CSTPII/RVPP plan---thus confirming those obligations stay with the plan. Today AT&T counsel is still engaging in an intentional fraud stating the ALL OBLIGATIONS includes S&T obligations on traffic only transfers. If petitioners weren't the ones getting totally screwed by AT&T it could put on a marvelous exhibition to show the "up and coming" fraudsters how to intentionally scam the FCC for 20 years.

50) AT&T counsels latest "all obligations" fraud ---which is by far the most idiotic of all its intentional frauds. Being an AT&T fraud artist wouldn't you want to at least try coming up with a fraud where opposition couldn't simply verify that it's a fraud! AT&T still doesn't transfer S&T obligations today on traffic only transfers. Getting paid several hundred thousand a year should mean that AT&T counsels should be able to come up with great quality frauds ---frauds that would be impossible to expose! A stockholder of AT&T would find that having to pay AT&T counsels several hundred thousand a year to come up with easily deciphered ludicrous frauds a very poor waste of stockholders money.

51) Despite the plans having been ordered prior to June 17th 1994 AT&T in June of 1996 AT&T placed shortfall and termination true-up charges on petitioner end-users. People who expected a $60 phone bill received a $4,428 phone bill! Obviously petitioners business was destroyed when AT&T did this as end-user customers went ballistic!

52) It is not disputed by AT&T that there was a billing dispute leading up to the placing of these charges. Petitioners simply advised AT&T that the charges should not be placed at all and AT&T claimed that they were permissible in being applied.

AT&T concedes there was a dispute as AT&T stated:

(You should know, however, that CCI disputes these charges.)

53) AT&T counsels simply wanted petitioners out of businesses and were willing to engage in unlawful conduct so instead of placing all the disputed charges on our aggregator master account, AT&T unlawfully billed all of the aggregators' end-users. When the end-users complained AT&T removed the charges and the end-users went back to AT&T but without the aggregator extra discounts. AT&T counsel intentionally violated the clear cut tariff law in order to put us out of business. This was not a "mistake" by AT&T as much smaller aggregators had these charges placed on its one master account instead of end-users many months previous to AT&T's intentional violation of the clear cut law.

AT&T's remedy is **if** shortfall is appropriate under the tariff at that time:

See:

AT&T COMMUNICATIONS
Adm. Rates and Tariffs
Bridgewater, NJ 08807
Issued: March 10, 1994

TARIFF F.C.C. NO. 2
12th Revised Page 61.17
Cancels 11th Revised Page 61.17
Effective: March 11, 1994

3.3.1.Q. AT&T 800 Customer Specific Term Plan II (continued)

- The Customer will assume all financial responsibility for all designated accounts in the plan and will be liable for all charges incurred by each location under the plan.

This means that AT&T's customer "the aggregator" is responsible for the charges not end-users.

The tariff further details:

Shortfall and/or termination liability are the responsibility of the Customer. Any penalty for shortfall and/or termination liability will be apportioned according to usage and billed to the individual locations designated by the Customer for inclusion under the plan. For billing purposes, such penalties shall reduce any discounts apportioned to the individual locations under the plan.

54) Shortfall is the responsibility of the customer –again us the aggregator petitioners---not the petitioners end-users. The ONLY remedy that AT&T's tariff avails AT&T is to simply remove the discount on the end-users bill if the aggregator does not initially pay AT&T. So in other words a bill received a $13.21 credit on their $66.02 gross usage. The $13.21 credit is of course the 20% discount provided by being under the CSTPII/RVPP plan. The AT&T remedy is clearly that the $13.21 be removed. The tariff does not permit AT&T to apply shortfall and termination true-up charges in EXCESS of the $13.21 credit provided by AT&T's customer the petitioners. If the charges were appropriate AT&T as its tariff indicates was as the tariff indicates: "shall reduce any discounts apportioned to the individual locations under the plan." Simply remove the $13.21 cents---not intentionally infuriate the end-users by sending that little $66.02 user a bill for $4,428! Larger users received proportionally much larger penalties so all end-users were infuriated. AT&T then was there waiting to take the calls –blame the aggregator---and take the customer back to AT&T without the discount. Master Intentional Fraud. Not only weren't the penalties deserving under the tariff, but AT&T made sure the end-users got whacked to then "save them."

55) This is not a disputed fact that AT&T used an ***illegal remedy*** as the tariff is clear as to what AT&T's remedy was. Any idiot can read the tariff and understand AT&T's proper procedure IF charges were deserving. AT&T's first applied the charges to petitioners aggregator customers' bills when AT&T was knowingly was supposed to first apply all charges to our aggregator master account. If we could not pay AT&T, then only at that point can AT&T then remove the discounts of the end-users. Again AT&T intentionally used an ***illegal remedy*** in order to put us out of business.

56) Petitioners have pointed out only a few of the intentional frauds and intentional violations of AT&T's tariffs that AT&T counsel has engaged in. AT&T counsel's latest "all obligations" fraud ---is by far the

most idiotic of all its frauds. Being an AT&T fraud artist wouldn't you want to at least try coming up with a fraud where opposition couldn't simply verify that it's a fraud! AT&T still doesn't transfer S&T obligations today on traffic only transfers.

FCC HAS NOW BURIED THE AT&T FRAUD FOR 7 YEARS

57) The real travesty here is the FCC is obviously aware that AT&T counsels have engaged in intentional fraud but have **done absolutely nothing**. At this point just by reading this short overview you would have to be a complete moron not to see that AT&T counsels have intentionally engaged in fraud. So why is it that the FCC is allowing AT&T counsels to get away with intentional fraud and intentional violation of its tariffs?

58) The FCC's staffer advised petitioners that her senior management ordered all FCC counsel off the case! Obviously the statement must have been accurate as certainly after 7 years at the FCC with this clear cut of a fraud anyone would realize that the FCC would have had even its least experienced counsel to interpret 3 paragraphs of a tariff! The FCC's current "position" is the case is "**pending**;" however this of course does not mean anyone is actually actively working the case. If the "pending" position was stated many years ago no one would have questioned such a statement---but after 7 years!

59) A Freedom of Information Act (FOIA) request was made of all FCC Commissioners email accounts and it discovered that 6 different statements were attributed to the FCC Commissioners regarding the status of the case. Just the fact that the FCC Commissioners are well aware of the case and were having conversations about its status is not normal, as the case still has not gotten out of the branch that decides the case! The FCC actually "exempted itself" from disclosing the 6 statements made by its Commissioners. God only knows why the FCC ordered the AT&T fraud buried!

Taxing Authorities Involved

60) If it was only the petitioners that were waiting 7 years for the FCC to decide the case it would be a travesty---but taxing authorities are waiting for the FCC to decide the case. When AT&T placed the penalties on the aggregator's bills it did not walk away from collecting its tariffed service charges. AT&T has conceded that it was compensated for these S&T charges in a "form other than cash". The issue the taxing authorities want to know is **IF** these S&T charges are legitimate and AT&T was compensated, did AT&T pay the taxes on these charges as the transaction may constitute a taxable barter arrangement.

61) AT&T has already settled with petitioner's former co-petitioner Combined Companies Inc (CCI) for the same traffic only transaction. Part of that settlement was AT&T conceded it was compensated for about $80 million dollars in S&T charges. In exchange CCI had to drop its claims against AT&T and CCI's owner Mr Larry Shipp consulting services were mandated under the settlement to assist AT&T's defense against my companies.

62) AT&T counsels job was to do whatever possible including engaging in intentional fraud in order to prevent aggregators reduce AT&T profits

AT&T counsel Mr Brown brags who on his website:

> "represented AT&T Corp. in over **25 actions** against telecommunications resellers involving claims under the Federal Communications Act, Lanham Act, Sherman Act, and state law."

Yes 25 actions! AT&T's goal was simply to destroy my business by whatever means possible.

Mr Brown's website claims that he was involved with 25 actions. Mr Brown expects you to believe that all of these companies were wrong and AT&T was always right. AT&T simply did not want the FCC mandated resale of its services done and AT&T did everything possible to put aggregators out of business.

Mr Brown is obviously a brilliant individual…. **Mr Brown Education** Columbia Law School, J.D., 1993, Stone Scholar Dartmouth College, A.B., 1979 Awards and Achievements ----Recognized as a Super Lawyer, Corporate Counsel edition, 2010----Recognized as a New Jersey Super Lawyer in the area of intellectual property litigation, 2006, 2008-2011--Chosen for inclusion in The Best Lawyers in America, Franchise Law, 2006-2009

63) It can't be that such a brilliant individual does not understand AT&T's tariffs. It simply appears that Mr. Brown as well as other AT&T counsels are willing to intentionally engage in fraud for its client AT&T--just to keep the hundreds of thousands of dollars rolling in. They all must have their licenses revoked and a decision as to whether a criminal investigation seems to be in order for intentional fraud. The issuing of subpoenas of all AT&T counsels ever affiliated with this case is warranted. They will all start singing and all of them will point back to AT&T in house counsel Edward Barrillari as the orchestrator of the fraud. The above demonstrates that AT&T counsels working under Mr. Barrillari are simply expected to "get the job done" no matter what fraud and violations of the tariff need to be engaged in.

THE QUESTION FOR THE FCC IS….WHY IS THE FCC ALLOWING AT&T COUNSEL TO INTENTIONALLY ENGAGE IN FRAUD?

Respectfully Submitted,
One Stop Financial, Inc
Winback & Conserve Program, Inc.
Group Discounts, Inc.
800 Discounts, Inc
/s/ Al Inga
Al Inga President